an on-going process and feedback provided by Hon'ble MP& and C&AG is taken into account for improvement in systems and procedures.

(c) Instructions are issued from time to time to all Heads of Departments to follow the provisions under GFRs and other relevant Government instructions issued from time to time on purchase of stationery and other items. General principles relating to expenditure and payment of money as mentioned in the GFRs are required to be followed by spending offices. Besides, systems of pre-check of bills, internal audit and statutory audit are in vogue to ensure that public money is not squandered.

Pendency of Utilisation Certificate

340. SHRI MOTIUR RAHMAN: Will the Minister of FINANCE be pleased to state:

(a) whether more than 37000 Utilisation Certificates (UCs) are pending upto March 31, 2006 from several Ministries and key departments of Government with a financial implication of more than Rs. 14500 crore;

(b) if so, the details thereof;

(c) the reasons for releasing funds to these Ministries and some statutory bodies and NGOs without satisfying itself about utilization of the grants; and

(d) the measures taken by Government to check misuse of public money by these Ministries, statutory bodies and NGOs?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) Yes, Sir.

(b) As per report No.3 of 2007 of Comptroller and Auditor General of India, a total of 37428 Utilisation Certificates were pending upto March 31, 2006 involving a total amount of Rs. 14595.32 crores. Details of outstanding utilisation certificates are given in the enclosed Statement-I (*See* below).

(c) As per Rule 20 of Delegation of Financial Power Rules, full powers have been delegated to Department of Central Government for sanctioning grants-in-aid provided such grants-in-aid are in accordance with the rules or principles prescribed with the previous consent of the Ministry of Finance. Since the grants are released by the respective Ministries/Departments to the statutory bodies/NGOs, these Ministries/Departments are to ensure that the provisions of General Financial Rules are complied with, before releasing grants to such organisations/statutory bodies. Ministry of Finance has, however, been advising the administrative Ministries/ Departments from time to time, to ensure compliance and satisfy themselves about utilisation of the grants.

(d) As per provision of Rule 212 (1) of General Financial Rules 2005, institutes/ organisations receiving non-recurring grants are required to submit utilisation certificates within 12 months of the closure of the financial year, and Ministries/ Departments are expected to scrutinize the receipt of these certificates. Where such certificate is not received from the grantee organisation within the prescribed period, the Ministry is at liberty to blacklist such institutions or organisations from any future grant from the Government. Also, as per Rule 212(1) in respect of the recurring grants, Ministry/Department concerned should release any amount sanctioned for

the subsequent financial year only after Utilisation Certificates on provisional basis in respect of grants of the preceding financial year is submitted. Release of grants-in-aid in excess of 75% of the total amount sanctioned for the subsequent financial year shall be done only after the Utilisation Certificate and the Annual Audited statement relating to grants-in-aid released in the preceding year are submitted to the satisfaction of the Ministry/Department concerned. Ministry of Finance have also been advising the administrative Ministries/Departments from time to time to ensure compliance.

There are some other provisions in General Financial Rules to check misuse of public money. Rule 211 provides that the accounts of all grantee institutions shall be open to inspection by the sanctioning authority, and audit both by the Comptroller & Auditor General of India and internal audit by the Principal Accounts Office of the concerned Ministry, whenever the institution or organisation is called upon to do so.

Rule 212(2) of General Financial Rules provide for the inclusion of details of grants released to such bodies in the Annual Reports of Ministries/Departments, and for the laying of the annual reports and accounts of private and voluntary organisations in Parliament, depending on the quantum of grant received from Government.

Rule 212(3) of these Rules further provides for submission of Achievement-cum-Performance Reports to be submitted by grantee institutions or organisations soon after the end of the financial year.

Statement

Details of outstanding utilisation

(Rupees in lakh)

Ministry/Department	Utilisation Certificates outstanding in respect of grants released upto March, 2005 which were due by 31st March, 2006	
	Number	Amount
1	2	3
Agriculture	88	6095.34
Andaman & Nicobar Administration	5	53.06
Atomic Energy	144	889.22
Central Board of Direct Taxes	10	0.93
Chemicals and Petrochemicals	12	1108.78
Commerce	127	29637.91
Textiles	1094	7485.50
Consumer Affairs	113	106.18

1	2	3
Food and Public Distribution	7	196.61
Environment and Forests	7546	92247.65
Election Commission of India	NA	2.05
Department of Economic Affairs	12	4387.06
Department of Revenue	17	309.60
Food Processing Industry	902	13608.98
Higher Secondary Education	3550	150183.81
Elementary Education and literacy	1730	464198.98
Women and Child Development	6036	34218.66
Health	1927	228311.89
Family Welfare	1340	126626.16
AYUSH	561	26735.42
Home Affairs (PAO Sectt.)	2	016
Information Technology	431	46631.00
Heavy Industry	30	8919.00
Small Scale and Agro Rural Industries	30	843.00
Industrial Policy & Promotion	62	24882.00
Deptt. of Public Enterprises	10	88.00
Labour	738	4422.15
National Legal Services Authority	370	2024.54
Legislative Deptt.	32	2.16
Legal Affairs	1	150.00
Mines	6	270.65
Geological Survey of India	30	9.30
Non-conventional Energy Sources	65	4219.45
Ocean Development M/o Earth Science	894	39469.04
Personnel, Public Grievances and Pension, Personnel and training	3	39.08
Planning and Statistics Planning Commission	2	2.06
Power	5	929.79
Rural Development	156	40376.94
Department of Biotechnology	118	64.61

1	2	3
Shipping	1	229.00
Space	326	2367.00
Urban Development	123	9606.15
Housing and Urban Poverty Alleviation	80	33891.19
Water Resources	39	110.96
Youth Affairs and Sports	8653	53581.72
GRAND TOTAL:	37428	1459532.74

Action against IIPM for evasion of Service Tax

341. SHRI DHARAM PAL SABHARWAL: Will the Minister of FINANCE be pleased to refer to answer to Unstarred Question 4354 given in the Rajya Sabha on 15th May, 2007 and state:

(a) what action Government have taken against the Indian Institute of Planning and Management (IIPM) for not filing the Service Tax Returns for the last two years.

(b) what is the estimated loss of revenue on account of evasion of Service Tax during the above period for conducting coaching classes and providing MBA/BBA courses not approved by Government; and

(c) what action Government proposes to take against the IIPM for recovery of service tax?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Indian Institute of Planning and Management has been issued Show Cause Notices by the Directorate General of Central Excise Intelligence for non-filing of service tax returns and non-payment of service tax on Commercial Training and Coaching Services.

(b) The Total service tax along with Education Cess demanded from IIPM for the period covering last two years is Rs. 5,03.04,802/-

(c) Action as per law is being taken for recovery of service tax, from IIPM.

Upgradation of economic status by USAID

342. SHRI B.K. HARIPRASAD: Will the Minister of FINANCE be pleased to state:

(a) whether in view of the booming economy India now enjoys, the USAID has now upgraded India's economic status from a developing country to a transforming country;

(b) whether because of India's economic resurgence, USAID has now downgraded its share of fund assistance to India to around $ 81 million in 2008; and

(c) whether in contrast, Afghanistan and Pakistan together will receive more than 85 percent of $ 2.2 billion earmarked for South-East Asian countries?